Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of	)	
	)	
Provision of Directory Listing Information	)	
Under the Telecommunications Act of 1934, As	)	
Amended	)	CC Docket No. 99-273
	)	
The Use of N11 Codes and Other Abbreviated	)	CC Docket No. 92-105
Dialing Arrangements	)	
	)	CC Docket No. 92-237
Administration of the North American	)	
Numbering Plan	)	

REPLY COMMENTS OF SBC COMMUNICATIONS INC.

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SBC Communications, Inc. ("SBC") hereby submits these reply comments in response to the comments filed in the above captioned proceeding. As SBC demonstrates herein, the record overwhelmingly demonstrates that 411 presubscription and the alternative dialing methods proposed in the Notice of Proposed Rulemaking[1] ("NPRM") are neither within the Commission's authority nor in the public interest and should be rejected.

I. INTRODUCTION AND SUMMARY

The record overwhelmingly demonstrates that additional Commission action is unnecessary for the directory assistance ("DA") market. As a threshold matter, commenters demonstrated that the Commission lacks the requisite authority under Section 251(b)(3) — the pertinent statutory provision addressing DA obligations — to require 411 presubscription or

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[1] *In the Matter of Provision of Directory Listing Information Under the Communications Act of 1934, As Amended, The Use of N11 Codes and Other Abbreviated Dialing Arrangements and Administration of the North American Numbering Plan*, CC Docket Nos. 99-273,92-105, and 92-237, Notice of Proposed Rulemaking, 17 FCC Rcd 1164(2002)(NPRM).

assign alternative dialing methods.[2] As the record shows, DA is not a telecommunications service and therefore is not subject to dialing parity.[3] SBC also demonstrated that the benefits of Section 251(b)(3) only extend to competing providers of local exchange or toll service. The Commission cannot evade the specific limits of Section 251(b)(3) by relying on Sections 201, 202 or 251(e).

The record also makes clear that the proposed actions in this proceeding are not in the public interest. Of the thirty-two parties providing comment, only three commenters, MetroOne, Telegate and WorldCom, attempt to demonstrate that 411 presubscription is feasible, only five commenters, CVS, INFOXXX, MetroOne, Premiere and William Gannon, support 555-XXXX implementation, and only three commenters, MetroOne, Telegate and WorldCom support 411XX or CAC implementation. This is not surprising given the competitive state of the DA market, the astronomical costs of implementing these proposals, and the lack of consumer benefit from these DA alternatives.

The evidence of competition in the DA market is overwhelming.[4] Numerous local exchange and toll carriers offer consumers DA service,[5] but consumers have other options as well. For example, consumers can and do receive DA services from wireless providers, Internet providers and other on-line services, directories, CD ROM products and personal digital assistants. The proliferation of these alternative sources of DA information has caused a sharp

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[2] BellSouth Comments 5 at; SBC Comments at 16; Verizon Comments at 4-5.

[3] Bell South Comments at 7; SBC Comments at 5; and Verizon Comments at 4.

[4] Bell South Comments at 9; Cincinnati Bell Comments at 2; CWA Comments at 4, ITTA Comments at 2; NTCA Comments at 2; Qwest Comments at 3; Sprint Comments at 4; SureWest Comments at 2; and Verizon Comments at 8.

[5] NERA Report at 13.

decline in LEC DA call volumes and, as the record shows, this decline is forecasted to continue. Thus, unlike European DA markets where competition was virtually nonexistent prior to the introduction of alternative dialing methods, competition in the US DA market is robust, alleviating any need for the extraordinary proposals suggested in this proceeding.

The fact that consumers avail themselves of multiple DA options puts to rest the fallacy that there is a competitive problem with respect to DA services that needs fixing. Indeed, those who claim that there is such a problem ignore the fact that all LECs — both ILECs and CLECs — have the same access to the 411 and 555-1212[6] codes as do wireless providers. IXCs, in turn, provide competing DA services using a variety of dialing sequences, including 1-(FNPA)-555-1212, 00, and 10-10-XXXX. This is precisely the type of competition envisioned by Congress in adopting Section 251, not competition among carriers and stand-alone DA providers.

The record also overwhelmingly demonstrates that the costs of implementing any of these proposals would be extraordinary — far in excess of their purported benefits.[7] Multiple carriers, small and large, demonstrated that these proposals would cost them, individually, millions of dollars, even hundreds of millions of dollars in some instances. For example, Sprint estimates that it would cost Sprint $88 million to implement AIN-based 411 presubscription; Verizon estimates that it would cost it $190 million just to upgrade its switches to provide 411 presubscription; BellSouth estimates that it would cost $103 million to implement 411XX codes; and AT&T estimates it would cost over two million dollars to deploy each CIC-based dialing code. On an industry-wide basis, implementation of these proposals would cost hundreds of

[6] Ameritech Michigan and Nevada Bell offer DA Service via HNPA-555-1212 where HNPA is the area code in the caller's local area. 411 is not available in these two states.

[7] AT&T Comments at 4-8; Bell South Comments at 23-32; Cincinnati Bell Comments at 8-9; CWA Comments at 1-2; ITTA Comments at 8-9; NTCA Comments at 3; Sprint Comments at 2, and Verizon Comments at 18-23.

millions and potentially billions of dollars to implement, which belies any claim that these proposals are technically and/or economically feasible.

LECs — which already are reeling from a severe slump in the telecommunications industry — should not have to pour hundreds of millions of dollars into this sinkhole without any assurance that they will recover their costs. If the Commission requires implementation of any of these proposals, which it should not, it should limit any such requirement to situations in which a prospective DA provider specifically requests the required option and agrees to pay for any implementation costs. A different approach would be inconsistent with the long-standing policy of the Commission that costs should be borne by the cost causer.

In this reply, SBC addresses arguments concerning the Commission's statutory authority to implement the NPRM's proposals and again demonstrates that the Commission lacks the requisite authority. Further, SBC refutes arguments that the US DA market is not competitive, that European DA markets are an appropriate model for the US DA market, and that LECs provide poor DA service quality. Finally, SBC refutes arguments in support of 411 presubscription, 411XX(Y) and 555-XXXX numbers, along with other miscellaneous issues.

II. AS THE RECORD DEMONSTRATES, THE COMMISSION LACKS STATUTORY AUTHORITY TO REQUIRE 411 PRESUBSCRIPTION OR ALTERNATIVE DIALING METHODS.

Telegate, INFONXX, WorldCom and MetroOne attempt to argue that the Commission has the requisite statutory authority to mandate 411 prescription or alternative dialing methods. Telegate simply offers broad assertions that Sections 251(e) and 201(b) confer the requisite authority, ignoring the provisions of the Act that directly address dialing parity and routing. WorldCom, INFONXX and MetroOne argue that the Commission's authority over numbering, as evidenced by the Commission's N11 decisions, confers the requisite authority. This numbering authority, they argue, coupled with the dialing parity and nondiscrimination obligations of Section 251(b)(3) and Sections 201 and 202 provide the requisite authority to require 411 presubscription or alternative dialing methods.

None of these arguments holds water for the simple reason that the dialing parity provisions of the Act do not confer the requisite authority. In arguing to the contrary, WorldCom and MetroOne incorrectly assume that DA is a telecommunications service,[8] but as SBC showed in its comments, it is not.[9] Further, as SBC demonstrated in its comments,[10] the nondiscrimination obligation of Section 251(b)(3) is fully satisfied by existing FCC regulations. Indeed, the Commission has so held.[11]

The Commission may not circumvent the express limits of these provisions by relying on its numbering authority under Section 251(e)(1). Section 251(e) only grants the Commission authority to assign numbers, not to establish presubscription requirements for

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[8] Section 3(46) of the Act defines "telecommunications service" as "the offering of telecommunications for a fee directly to the public, or to such classes of users as to be effectively directly to the public, regardless of the facilities used." 47 C.F.R. 3(46). As the record shows, DA does not consist solely of telecommunications, but rather is telecommunications plus information retrieval.

[9] SBC anticipates that the three proponents of 411 presubscription, Telegate, WorldCom and MetroOne, will attempt to demonstrate that DA is a telecommunications service, or, in the alternative, has been previously regulated by the Commission as an adjunct-to-basic service under Title II and should be subject to all Title II requirements. The Commission must reject these arguments. As SBC and others demonstrated in their comments, the definition of "telecommunications service," as set forth in the 1996 Act is controlling for purposes of determining whether the dialing parity provisions of the Act encompass DA, and the Commission must give effect to this statutory definition. Commission precedent establishing DA as an adjunct-to-basic service is not relevant to this analysis. Without a reasoned determination that DA is a telecommunications service — which it is not as demonstrated by the express language of the Act — the Commission simply cannot impose presubscription requirements for 411 DA service.

[10] SBC Comments at 17.

[11] The Commission has never interrupted the nondiscriminatory access obligation of Section 251(b)(3) to impose dialing parity obligations. In fact, in defining the nondiscriminatory access obligations in Section 51.217, the Commission did not include dialing parity amongst the other DA obligations. 47 C.F.R. §51.217.

telecommunications traffic.[12] WorldCom and MetroOne attempt to rely on the Commission's N11 orders to establish the Commission's authority to mandate 411 presubscription under Section 251(e)(1). Those orders, however, have absolutely no relevance here. While the Commission made those codes available on a national basis for specific uses, it did not require dialing parity. The Commission has never imposed dialing parity obligations, such as presubscription, pursuant to 251(e)(1) and as the record shows, cannot do so here.

Likewise, Sections 201 and 202 could never trump Section 251(b)(3). Congress specifically limited the Commission's authority over dialing parity in Section 251(b)(3), and the Commission cannot rely on its general authority under Sections 201 and 202 to skirt this limitation. Further, LECs have not engaged in unreasonably discriminatory practices in failing to implement other 555 numbers for DA, as claimed by INFONXX.[13] LECs provide other LECs and IXCs access to the 555-1212 or 1-FNPA-555-1212 code for DA. This is precisely the type of just and reasonable practice envisioned under the Act and Sections 201 and 202 require nothing more.

III. AS THE RECORD DEMONSTRATES, THE US DA MARKET IS COMPETITIVE, CONSUMERS CURRENTLY RECEIVE DIVERSE, HIGH-QUALITY DA SERVICES, AND EUROPEAN DA MARKETS ARE NOT RELEVANT MODELS.

WorldCom, INFONXX, Telegate, and MetroOne contend that the DA market is not competitive, arguing that LECs or LEC affiliates dominate the market. This argument is deeply flawed. As an initial matter, these parties are wrong when they claim that LECs and their affiliates dominate the DA market. As shown above, LECs are only one of many sources of DA

[12] Presubscription, as noted, is governed by Section 251(b)(3). That provision would be redundant if the Commission could fashion whatever dialing parity requirements it chose from Section 251(e)(1).

[13] INFONXX Comments at 10.

services, and consumers increasingly are availing themselves of these alternative sources.[14] Thus the premise of the argument is flawed. Equally important, even if the premise were correct and LECs were the *only* source of DA service, that would not demonstrate a competitive problem that warrants Commission intervention. There are many services that are only available from LECs — caller ID service and Centrex service, to name two examples. That does not mean, however, that the Commission should declare these services separate markets and require the expenditure of hundreds of millions of dollars so that non-LECs as well can offer these services. Indeed, such measures would be anti-competitive because they would reduce revenue opportunities for competitive LECs and thereby reduce their incentives to compete in the local market.

Telegate and VATM's reliance on European DA markets as a model for the US DA market is misplaced. As SBC and other commenters fully demonstrated in their comments,[15] European DA markets, until very recently, had little, if any, competition in the provision of DA services.[16] Consequently, the European markets offered few enhanced DA offerings and poor DA service quality. Alternative dialing methods, therefore, were perhaps a reasonable method of spurring competition in the fledging European DA markets.

This is not the case for the US DA market. The US DA market is already competitive. Numerous carriers offer DA services with high service quality[17] and accuracy,[18] and these

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[14] LECs are not even the only source of 411 DA service; wireless carriers also offer that service.

[15] SBC Comments at 52; BellSouth Comments at 21; and Verizon Comments at 17.

[16] Verizon Comments at 17.

[17] LECs are subject to state-imposed DA service quality requirements. *See* Ex Parte of SBC, BellSouth, Verizon and Qwest, December 15, 2000, at 8.

[18] *Id.*

providers all have access to the same DA code and DA Listings[19] Further, in contrast to European DA markets, the US DA market has for years provided consumers innovative DA services, such as language-specific DA,[20] as well as operator and call completion services.[21] Even Telegate recognizes that these and other innovative services are a new phenomenon in many European markets. Further, unlike European DA markets pre-dating the market opening initiatives there, numerous alternative DA providers in the US, such as wireless providers, Internet providers and directory publishers, offer traditional and enhanced DA information in direct competition with LECs. As the record shows, residential and business customers throughout the U.S. have multiple DA alternatives that are comparable to LEC DA service. For example, '00' is offered by many IXCs for local and national DA service. 10-10-ATT-00 and 1-800-CALLATT can be dialed by any caller to access AT&T's local and national DA service, and 10-10-9000 can be dialed by any caller to access MCI's local and national DA service. Further, most local exchange subscribers can dial (HNPA)-555-1212 to access their local provider's DA service and 1-(FNPA)-555-1212 to access their IXC's DA service.[22] Other companies offer DA service via toll-free numbers. All of the foregoing are alternative codes to 411. Likewise, numerous companies offer Internet DA services in competition with LECs' DA services,[23]

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[19] All LEC's under 251(b)(3) have the obligation to provide their DA listings to requesting competing carriers and their agents, who can use the listings " for any purpose" under current FCC rules. *See*, *Provision of Directory Listing Information under the Telecommunications Act of 1934, as amended*, First Report and Order, CC Docket NO. 99-273, ¶ 32 (January 23, 2001).

[20] SBC offers Spanish language DA in California and Texas. In addition, SBC offers DA service in Cantonese in California.

[21] *See* Ex Parte of Bell South, SBC Verizon and Qwest, October 31, 2001, at 3.

[22] Call completion services are available via 00, 10-10-ATT-00, 1-800-CALLATT, 10-10-9000, (NPA) - 555-1212 and 1-(NPA)-555-1212.

[23] As SBC detailed in its comments, many of these providers offer traditional as well as enhanced DA services. *See* SBC Comments at 24; *see also* NERA Report at 24.

including AT&T (www.anywho.com), Switchboard (www.switchboard.com), America on Line (www.aol.com), Yahoo (www.yahoo.com), DA For Less, Inc. (www.DAForLess.com), InfoSpace (www.infospace.com), Whitepages.com (www.whitepages.com), 911, Inc. (www.411.com), and Zip2 (www.zip2.com).[24] Some of these Internet providers even provide call completion services. LECs must provide high-quality DA services to retain their DA customers in a highly competitive DA Marketplace. These market distinctions, as the NERA report detailed, are key and render analogies to the European DA markets inapt.

IV. THE RECORD DOES NOT SUPPORT 411 PRESUBSCRIPTION AND DEMONSTRATES THAT ALTERNATIVE DIALING CODES ARE UNWORKABLE AND CONTRARY TO THE PUBLIC INTEREST.

The record overwhelmingly confirms that 411 presubscription, alternative dialing methods and 411 elimination are wholly unnecessary given the competitive state of the DA market, would be exorbitantly expensive, and would offer little, if any, benefit to consumers. A small number of commenters, however, continue to maintain that some of the foregoing proposals are necessary in the public interest and feasible. SBC addresses these arguments in turn.

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[24] The URL www.teldir.com/eng provides over 400 links to Internet directories. Internet directory sites have become the third most popular use of the Internet. Business Wire, March 4, 2000. *See* U.S. Directory Assistance Services Marketing, Frost & Sullivan 1999, at 4-5 ("An increasing number of business and residential end-users are utilizing the Internet for a variety of purposes. Internet usage has expanded manifold over the last three years due mainly to the increasing customer demand for information services and a continuous decline in Internet subscription rates.").

A. 411 Presubscription

Only three commenters, Telegate, WorldCom and MetroOne, argued that 411 presubscription is technically and economically feasible. Interestingly, none of these proponents attempts to detail the technical complexity of implementing the various 411 presubscription proposals or the astronomical costs associated with such implementation. The record, however, overwhelmingly demonstrates that 411 presubscription would pose significant technical issues, many of which must be resolved on an industry basis prior to implementation. Further, the record overwhelmingly demonstrates that all of the 411 presubscription proposals would cost carriers, individually, millions[25] and potentially hundreds of millions of dollars,[26] to implement. Even states that suggested that 411 presubscription could offer some benefit conditioned their support for 411 presubscription on its technical and economical feasibility.

SBC, in its comments, thoroughly addressed the AIN-based and switch-based 411 presubscription proposals detailed in the NPRM, demonstrating the technical and economic infeasibility of these proposals. Telegate, MetroOne and WorldCom, however, raise additional arguments or proposals in an attempt to demonstrate that 411 presubscription is feasible. Below, SBC addresses these arguments.

1. Voice Recognition 411 presubscription

MetroOne supports implementation of Voice Recognition presubscription.[27] Under this proposal, calls to 411 would be routed to a Voice Response Unit (VRU) which would prompt the

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[25] Sprint Comments at 2.

[26] Verizon Comments at 3 and BellSouth Comments at 32.

[27] MetroOne Comments at 23.

user to state the name of the alternate DA provider desired, recognize the customer's response using voice recognition, and then perform routing to the indicated DA provider's trunk group.

Contrary to MetroOne's assertions, SBC does not use VRU capabilities with its existing DA platform.[28] MetroOne's VRU proposal would require deployment of a capability not available in SBC's network. Significant technical issues would have to be addressed prior to implementing VRU presubscription. For example, Metro One did not explain how calls should be routed from the customer to the VRU and then from the VRU to the DA provider,[29] how to address potential charges for the connection from the customer to the VRU,[30] or how to identify the customer to the DA provider when it appears the VRU is making the call.

From a cost perspective, a VRU solution would be more expensive than an AIN-based 411 solution, which alone would cost hundreds of millions of dollars to implement,[31] because a VRU solution is not a stand-alone solution, but rather would be in addition to an AIN-based or other presubscription solution.[32] As a result, additional network resources would be required to support a VRU solution. For example, a VRU solution requires an additional step, i.e., the routing to the VRU prior to sending the call to the DA provider. In contrast, AIN-based presubscription only requires signaling to occur before the call is sent to the selected DA

[28] Some SBC DA positions are equipped with a Personal Audio Response System, which allows the operator to pre-record selected greetings and phrases such as "What City Please?" These are used to save the operator from having to repeat the same phrases hundreds of times per day. The caller's response, however, is processed by a live operator, not VRU equipment.

[29] For example, calls could be routed using a direct trunk, a toll-free number, a CIC or a local number. Each raises distinct technical issues.

[30] For example, carriers may charge customers for connecting to the VRU which would be in addition to any charge assessed by the DA provider.

[31] *See* Sprint Comments at 6; Verizon Comments at 3 and BellSouth Comments at 32.

[32] AIN or a similar capability would be needed to address routing and billing issues associated with a VRU solution.

provider. These and other issues, such as billing, would have to be resolved on an industry basis prior to implementation. The Commission, accordingly, should reject this proposal.

2. Balloting and Allocation

Telegate, as the proponent of 411 presubscription, seemingly cannot decide whether balloting should or should not be required for 411 presubscription. It initially requested balloting, later conceded that balloting procedures are not necessary for 411 presubscription,[33] and now once again argues for balloting. As SBC has previously demonstrated in this proceeding, balloting would be extremely burdensome and expensive to implement.

In addition to the considerable cost of preparing and mailing ballots, there would be additional costs to format the resulting service orders and download them into the proper systems to implement the DA provider choices. These costs would exceed $1 per line, and exceed $200 million dollars in industry costs.[34] These costs would be in addition to the hundreds of millions — if not billions — of dollars required for 411 presubscription.

Telegate's proposal also raises thorny administrative issues. For example, Telegate proposes that carriers design a "fair ballot," which would include the names of all potential DA providers and give the DA providers an equal opportunity to appear first among the choices.[35] The FCC would have to adopt detailed regulations overseeing this process, regulations that would be inconsistent with the Commission's deregulatory mandate. Also, Telegate proposes an allocation procedure, which would allocate customers that do not select a DA provider amongst

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[33] *See* Ex Parte of Telegate January 22, 2001.

[34] In its most recent Local Competition Order, the Commission states that as of June 30, 2001, there were 192 million switched access lines in the United States. Local Telephone Competition: Status as of June 30, 2001, Industry Analysis Division, Common Carrier Bureau, February 2002, at 1.

[35] Telegate Comments at 20-21.

the various possible providers according to the proportion of customers that did vote. That process would require another layer of rules and costs. Moreover, it would inevitably lead to massive consumer confusion, as consumers who neglected to return their ballots could find themselves with a new, undesired DA service provider. It also would necessitate consideration of rate regulation of alternative DA service. After all, if customers were subject to being switched to an alternative DA provider, there should be some assurance that such providers charged reasonable rates. The Commission correctly recognized in the NPRM that balloting can be extremely complicated and expensive. As such, balloting should be rejected.

3. Custom Routing for AIN-based 411 presubscription

WorldCom suggests that the technical issues surrounding 411 presubscription of DA calls via AIN are no more difficult than custom routing of operator services and directory assistance (OS/DA) calls via AIN, which SBC already provides to CLECs. This comparison is inapt.

SBC offers custom routing as a capability available to CLECs purchasing unbundled local switching. Custom routing allows the CLEC purchasing unbundled local switching (i.e., dial tone from the incumbent's end office switch) to use shared transport for most calls, while separating OS/DA calls for routing away from the incumbent's operator platform to the CLEC's own operator platforms or a third-party provider.[36]

In providing custom routing using AIN, SBC uses a different AIN trigger than the trigger proposed by Celentano for 411 presubscription.[37] This trigger must be assigned to each

[36] Similar capabilities are available for CLECs using resale. For example, "Local Routing Service" in Texas, "Resale Selective Routing" in Illinois, and "Resale with Operator Alternative Routing" in California.

[37] SBC use an Off-Hook Delay" (OHD) AIN trigger assigned to each UNE switch port that is assigned custom routing.

individual customer line to invoke custom routing.[38] As a result every call (whether local, long distance, or OS/DA) placed by the customers of a CLEC using customized routing generates an AIN query. Use of custom routing to provide 411 presubscription would generate far more AIN queries, and require proportionately appropriately more network resources than the Celentano proposal where only calls to 411 would generate queries.

Many end office switches have limits on the number of AIN triggers that can be assigned. Thus, an approach based on custom routing would require switch development and upgrades to the incumbent's end office switches to support the additional number of AIN trigger assignments. Accordingly, the costs of such an approach would be even greater than the estimates provided in SBC's initial comments, which assumed the use of the 411/N11 trigger for 411 presubscription.

B. 555-XXXX Numbers

INFONXX, MetroOne, Premiere,[39] Gannon, and CVS, ask that the Commission order carriers to implement 555 dialing schemes, arguing that 555 numbers have been assigned and the

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[38] A "Custom Dialing Plan" or CDP trigger may be used to provide custom routing for an entire business group instead of using the OHD trigger on each individual line. The CDP trigger would be configured to intercept and query only on specific dialing sequences from lines within the business group, similar to the operation of the N11 trigger.

[39] In its comments, Premiere attempts to address a pending dispute it has with SBC affiliate Southwestern Bell Telephone (SWBT). Premiere's comments are inappropriate. *First* and foremost, they are beyond the scope of this proceeding. In the NPRM, the Commission sought "comment on proposed methods of promoting competition and choice in the retail directory assistance (DA) market." NPRM ¶ 1. Premiere's comments do not address this topic. Rather, Premiere has sought to develop a different 555 service, having private commercial implications for Premiere's customers. Premiere's comments are Premiere specific, not directly relevant to DA services, and do not address the specific issues raised in the NPRM concerning 555 numbers for DA services.

Second, Premiere's discussion of SWBT's proposals for Premiere's proposed 555 service is not strictly applicable to the use of 555 numbers for competitive DA services. It is true that many of the challenges — technological and economical — of Premiere's proposal have implications for using 555 numbers as a vehicle for competitive DA services. Nevertheless, SWBT's proposals to Premiere were raised in a different context and are complicated by other, non-555 related matters.

technical issues have been "resolved." Industry documents, according to these commenters, indicate that 555 is allowed to support caller party pays, called party pays, combinations of caller/called parties pay, access rates, exchanges rates, etc.[40] Further, industry documents

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Third, Premiere is just wrong when it claims that the Commission ruled that incumbent LECs "have a duty to update the translation tables, certain switches and other elements in their networks so that calls to 555 numbers are recognized and routed correctly." Premiere Comments at 4. As SWBT has explained numerous times to Premiere, while SWBT would agree that it must update the translation tables in its switches to recognize new NXX code assignments, and that it may not discriminate in this process or in the charges therefor, Premiere's proposal does not involve a new NXX code assignment. Premiere does not purport to reserve the 555 digits for its own use and to assign those digits to a specific central office — nor, of course, could it do so if it wanted to. To the contrary, Premiere seeks to assign 555 numbers to various customers that are served by various central offices throughout SWBT territory. Thus rules and policies relating to NXX assignments are inapt. There are fundamental differences between the activation of an NXX code and the 555 numbers that Premiere seeks to deploy. These differences derive from the fact that an NXX code embodies routing instructions, and a 555 code does not. An NXX code, frequently referred to as a "central office code," is associated with a particular central office. For example, the code "418" is assigned exclusively to the central office that serves the FCC's headquarters in Washington, D.C. Thus, when a caller dials a telephone number that begins with the digits "202-418," the carriers responsible for routing the call can determine from these digits that the call must be delivered for termination to the central office serving FCC headquarters in Washington, D.C. A carrier that deploys its own switch may obtain an NXX code assignment for that switch. When that happens, SWBT will update routing tables throughout its network so that it can recognize the new NXX code and properly route calls to customers served by that carrier's switch. This is a relatively simple undertaking. In contrast, SWBT cannot accommodate Premiere's proposed 555 service simply by loading the 555 code into its routing tables. (See the discussion in these comments concerning the technical problems associated with 555 numbers.) Because Premiere seeks a service by which SWBT can route 555 calls to subscribers located throughout SWBT territory, SWBT must screen more than the first 3 digits in order to identify the central office serving the subscriber location: it must screen the full 7-digit number, and then translate that number into a plain old telephone service (POTS) number that signifies the location of the called party. The only efficient way to implement this new screening and number translation process would be to implement a new AIN service for 555 calls, similar to the AIN database service used for the routing of 800 calls. In discussions with Premiere, it was clear among other things that Premiere wanted SWBT to bear the cost of this database process.

Fourth, Premiere's reiteration of aspects of the parties' negotiations was improper. Both parties are under a contractual obligation to maintain confidentiality about those discussions. What's more, the discussions also involved negotiations to resolve several pending regulatory disputes between the parties. Offers and counter-offers made during those negotiations were part of settlement discussions and their merits cannot be evaluated solely on the basis of the business case for Premiere's proposed 555 service, but would have to be evaluated in the context of resolving these disputes on a compromise basis. Thus, the reiteration of those offers and counter-offers was not only improper but it was irrelevant to the discussion of competitive DA service. Any 555 solution to any proposed competitive DA service would in all likelihood involve different business case evaluations, including different prices.

[40] 555 Technical Service Interconnection Agreements, ATIS/NIIF-0011.

indicate that 555 numbers could be "DA-like," "800-like," and "900/976-like," and that 555 numbers should support routing to a CIC or to a local number (or to the customer's PIC for interLATA NPAs).[41]

As SBC pointed out in its comments, it would be prohibitively expensive to support all the possible service combinations identified in industry documents for 555 numbers.[42] Although some 555 numbers have been assigned to industry members, the industry may have been premature in issuing 555 numbers before a single routing and billing/charging approach was adopted for 555 numbers. Implementation of 555 raises a host of administrative, routing and billing issues that have not been addressed by the industry. Importantly, documents from the same forums cited by advocates of 555 recognize that these issues exist in implementing 555 routing services and are, as yet, unresolved.[43]

Use of 555 numbers could also cause customer confusion because some 555 numbers are free, some incur local charges, some incur long distance charges, and some incur premium charges, such as $2.95 per minute. Notably, there is no consensus expressed among the commenters supporting the implementation of 555 numbers regarding a single method of handling 555 numbers that should be implemented. Indeed, INFONXX and CVS suggest that individual 555 calls could be routed to toll-free numbers.[44] This represents yet a new method of routing for 555 calls that is not currently included in industry documents, further demonstrating

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[41] Technical Service Interconnection Agreements, Table 1.

[42] *See* 555 Technical Service Interconnection Agreements, Section 6.5 ("It should be further recognized that support of multiple technical service interconnection arrangements for 555 could have extensive technical network impacts and may not be practical or feasible for all network providers.")

[43] *Id*., Section 6 ("Network service capabilities required to route 555 calls presently exist for some, but not all of the technical service interconnection arrangements described in Section 3.").

[44] INFONXX Comments at 13 and CVS Comments at 2.

the lack of industry consensus and lack of technical maturity regarding the handling of 555 numbers.

Some commenters claim that ILECs can open the 555 code just like NPA-NXX codes in order to handle calls to 555 numbers. As discussed in note 39, the comparison is inapt. There are fundamental differences between the activation of NXX codes and 555 numbers. NXX codes themselves embody routing instructions. Each NXX code is associated with a particular central office. In contrast, 555 codes do not embody routing instructions. Rather, a carrier must screen more than the first three digits to identify the central office serving the subscriber location. As a result, the process to open individual NPA-555-XXXX numbers for routing is more complex than indicated by the commenters, and should not be compared with opening an NPA-NXX.[45]

While implementing all of the possible routing/charging combinations identified in industry documents would be challenging, there would be issues even if only one routing/charging combination were to be implemented. Currently, over 7,000 555 numbers have been assigned.[46] Each of the assignees has a specific need or application planned for its assignment. They may have expectations based on any of the combinations of routing/charging identified in the industry documents. At this point, selecting only one routing/charging combination for deployment would undermine the expectations and requirements of some assignees.

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[45] The OBF Issue #1038 submitted by CVS supports the view that 555 cannot be handled as a normal office code. It points out that each individual 555 number will need to be addressed individually, including individual V & H coordinates.

[46] 116 of these assignments are currently in dispute.

Further, there are a limited number of unassigned 555 codes remaining. If the Commission decides that 555 numbers are to be used for alternate DA services, it would need to address how these limited remaining resources would be distributed. Today, 555 numbers can be requested for any number of uses, of which DA might only be one use. If it is determined that 555 is to be used for alternate DA access, then the Commission must determine whether the assignment of remaining 555 numbers should be limited to DA providers. Likewise, the Commission would have to address issues regarding the assignment of 555 numbers for other uses, whether the remaining 555 numbers should continue to be allocated on a first-come, first-served basis, and whether the remaining 555 assignments should be distributed (auctioned) in a single activity.

C. 411XX(X), 411-XXXX , 211 and 511-(XXXX)

Two commenters, Telegate and WorldCom, argue that implementation of 411XX(Y) codes is feasible. Telegate simply makes a conclusory statement that 411XY is technically feasible, with absolutely no support.[47] Thus, Telegate's comments in this regard should be rejected outright. WorldCom argues that 411XX calls, like 411 calls, could be routed to alternative DA providers via existing custom routing methods.[48] This proposal fails for the same reasons previously articulated regarding custom routing for 411 presubscription.

As SBC and others demonstrated in their comments,[49] 411XY implementation would involve a host of technical issues and would be exorbitantly expensive. At a minimum, it would require substantial network changes, including reconfiguration of the entire public switched

[47] Telegate Comments at 22.

[48] WorldCom Comments at 2.

[49] AT&T Comments at 14; BellSouth Comments at 32; INFONXX Comments at 27; SBC Comments at 43; and Verizon Comments at 30.

telephone network,[50] which currently cannot not accept five or six digit dialing. A national code administrator and coordination amongst members of the North American Numbering Plan also could be required. Further, industry "Call Processing" guidelines developed by Telcordia and followed by many LECs, expressly prohibit the use of N11 codes, such as 411, 211 and 511, with additional digits.[51] Pursuant to these guidelines, switches are designed to consider dialing complete when they receive a N11 sequence. They have not been configured to wait for or expect any additional digits. Thus, 411XX(Y) proposals as well as 411-XXXX and 511-XXXX would require extensive vendor development for switches to permit N11 dialing with additional digits. These proposals also would make the relevant N11 sequence indeterminate, which could cause timing issues for other N11 sequences like 911.[52] In addition, 411-XXXX and 511-XXXX raise all of the technical issues detailed in the prior section as well as in SBC's initial comments regarding implementation of 555-XXXX dialing.[53] These numbers are non-geographic office codes, would require different routing and/or billing on a telephone number by number basis, and would require switch changes and possibly vendor development.[54]

SBC, did not estimate how much this proposal would cost, but given the technical issues, SBC believes that implementation of this proposal would be astronomical, and likely the most expensive solution to implement.

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[50] AT&T Comments at 14 and SBC Comments at 44.

[51] Telecordia Technologies, "Call Processing," GR-505-CORE, Issue 1, December 1997.

[52] SBC Comments at 44.

[53] Further, use of 511 and 511-XXXX dialing as proposed by LowTech would create inter-digit timing issues for customer dialing and could lead to customer confusion. *See* SBC Comments at 43-44.

[54] CDI suggests assigning 211 to one alternative DA provider per geographic area, but 211 has already been assigned by the FCC for community information and referral services. LowTech proposes use of 511, but again the FCC has already assigned this N11, which is used for traffic information.

D. 411 Elimination

Several commenters support 411 elimination, but as the record[55] and prior FCC precedent show, 411 elimination would not be in the public interest. AT&T said it best, "Eliminating 411…would be an over-reaction to a non-existent problem."[56] 411 elimination would cause customer confusion and frustration, and importantly, there is nothing in the record demonstrating that consumers support elimination of the code. Further, as the record shows, LEC use of 411 is not a barrier to competition.[57] Carriers can successfully compete in the DA market without access to 411, as evidenced by Sprint, MCI and AT&T's use of alternative DA codes such as "00," "00 Info," and 10-10-9000." Alternate DA providers compete using a variety of toll-free numbers, often targeting their services to specific market segments. The Commission therefore, should retain 411 for DA.

E. Miscellaneous

Below, SBC would like to clarify its LIDB position. Further, SBC would like to address other arguments not specific to any one DA proposal.

1. LIDB Clarification

In SBC's initial comments, SBC identified various technical and policy issues that would emerge if LIDB were used for 411 presubscription. SBC would like to clarify that any industry activities necessary for use of LIDB for DA presubscription would be necessary for any switch-based or database solution for DA presubscription. While the industry activities indicated (e.g.

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[55] *See* AT&T Comments at 2-3, 9-12; CPUC Comments at 6-7; Cincinnati Bell Comments at 15-16; CWA Comments at 8; SureWest Comments at 6-7; and Verizon Comments at 28-29.

[56] AT&T Comments at 9.

[57] *See* AT&T Comments at 9- 10; Cincinnati Bell Comments at 15

selecting, assigning, and formatting new DA provider codes, and determining changes to local service request form formats to support DA presubscription) would apply to a DA solution using LIDB, they are not unique to solutions using LIDB.[58] For any DA presubscription scenario, there would need to be agreement on how to identify DA providers, and how to modify existing industry processes to pass this information between carriers (as well as between systems within companies). Before implementation of any presubscription solution could begin, industry activities would need to determine all the new identifiers needed, all the processes and forms, including service ordering flows that would be affected, and reach agreement on the specific details for data and information flows to support DA presubscription.[59] Proponents of DA presubscription have overlooked the time and effort necessary for these activities, rendering claims that DA presubscription could be deployed in six to nine months absurd.

Obviously, the use of existing industry infrastructure is generally preferable to developing completely new infrastructure. Deployment of new call-related databases would cost more than modifying and using existing infrastructure. The use of new databases solely to support DA presubscription would require development and deployment of new infrastructure (processes and systems) that would feed and maintain that data. Creation of a new unique call-related database for a single capability would be grossly inefficient. It would require duplication of hardware, software, processes, procedures, and personnel that already exist for other platforms like LIDB that could be capable of incorporating this capability through enhancements.

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[58] For instance, queries over the U.S. SS7 network to a new or existing AIN or LIDB database would likely involve a transport charge, as well as a charge for the query itself, which combined could be as high as $.02 each.

[59] The FCC is well aware of the complexities of incumbent and CLEC ordering interfaces and their interdependencies. Concurrent changes to ILEC and CLEC operations support systems, after industry agreement, would be required for any DA presubscription proposal.

2. Billing and Collection

MetroOne and Telegate argue that the Commission should require ILECs to bill and collect for DA providers. As SBC and others demonstrated in their comments,[60] the Commission has already concluded that there is no ILEC bottleneck for billing and collection services and that these services are competitive.[61] Thus the only conceivable justification for requiring ILEC billing for DA providers is that the amounts billed would be so small that it would not warrant a separate bill. If that is the case, the Commission must stop and question why it would order the expenditure of hundreds of millions, and potentially billions of dollars for such a small benefit.

V. CONCLUSION

For the foregoing reasons, SBC urges the Commission not to require 411 presubscription, assign alternative dialing methods, or eliminate 411. As the record aptly demonstrates, the DA market is robust, nullifying any need for additional Commission action. Further, all of the proposed methods are cost prohibitive with little, if any, consumer benefit.

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[60] BellSouth Comments at 27-28; Cincinnati Bell Comments at 12-13; Verizon Comments at 26-27.

[61] Detariffing of Billing and Collections Services, 102 FCC 2d 1150 (1986). Numerous competitive billing and collection service providers operate in the market, including Amdocs, Convergys, EDS, Intasys and Intertech. Thus, ILEC billing services are not essential. Further as Verizon correctly stated in its comments, the Commission has determined that billing and collection are

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May 1, 2002

not common carrier services, thus the Commission lacks the requisite authority under Title II to mandate that they be provided.

CERTIFICATE OF SERVICE

I, Lacretia Hill, do hereby certify that on this 30th day of April, 2002 a copy of the foregoing "Reply Comments " of SBC Communications was served by U.S. first class mail, postage paid to the parties on the attached sheets.

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